GOVERNMENT OF INDIA
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
LOK SABHA

UNSTARRED QUESTION NO:2664
ANSWERED ON:05.12.2002
PURCHASE PREFERENCE POLICY
NANDIPAKU VENKATASWAMY

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether the Government have decided to extend Purchase Preference Policy for products and services of Central PSUs for another two years;

(b) if so, the details thereof;

(c) if not, the reasons therefor; and

(d) the steps taken to make the all PSUs the cost-efficient and self-supportive?

Answer

THE MINISTER OF HEAVY INDUSTRIES & PUBLIC ENTERPRISES (SHRI BALASAHEB VIKHE PATIL)

(a) and (b): The Government have extended the purchase preference policy for products made and services rendered by Central Public Sector Undertakings for another two years i.e. from 1.4.2002 to 31.3.2004 and the guidelines in this regard have been issued vide DPE`s O.M. dated 14.6.2002.

(c) Does not arise.

(d) Government have taken various steps from time to time to make Central PSUs cost-efficient and self-supportive, which inter alia include periodical review of their performance by the concerned administrative Ministries/Departments, business and financial restructuring, technology upgradation, infusion of fresh funds, professionalisation of Board of Directors, delegation of greater powers, memorandum of understanding, formation of joint ventures, purchase preference for produc ts and services of PSUs,rationalization of manpower, etc.